

## Rafi Martina

Counsel Legal and Government Affairs Rafi.Martina@sprint.com

Sprint Corporation 900 7th Street, NW Suite 700 Washington, DC 20001

July 29, 2013

## Via Electronic Filing

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W., Room TW-A325 Washington, D.C. 20554

Re: Notice of Ex Parte Presentation: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268; Policies Regarding Mobile Spectrum Holdings, GN Docket No. 12-269

## Dear Ms. Dortch:

Attached on behalf of Sprint Corporation is a paper prepared by Professors Martin Cave and William Webb, two internationally-renowned experts on spectrum regulatory policy. In their paper, Professors Cave and Webb address the Commission's current consideration of spectrum aggregation limits for the upcoming 600 MHz incentive auction, analyzing a number of facets of the market for wireless broadband that have driven European spectrum regulators to adopt pro-competitive limits on the amount of spectrum (and in particular, spectrum below 1 GHz) dominant incumbents can acquire at auction. The authors conclude that restrictions on the amount of sub-1 GHz spectrum operators can acquire at auction *have not* resulted in any reduction in auction revenue in the myriad European nations that have adopted them.

Given the significant competitive advantages operators and administrations have identified in spectrum below 1 GHz, regulators have routinely designed auctions to ensure that multiple operators can obtain access to such competitively impactful spectrum. In the case of the numerous European auctions examined by the authors, the largest operators have not been excluded from bidding. Rather, as Sprint and a wide range of commenters have argued in the context of this proceeding regarding auction of 600 MHz spectrum, auction designers limited the amount of sub-1 GHz spectrum any operator could hold, thereby sustaining downstream competition for mobile broadband.

The experience of European spectrum policymakers in designing reasonable spectrum aggregation limits is instructive for the Commission's mobile spectrum holdings and incentive auction proceedings. As Professors Cave and Webb note, robust competition among wireless operators benefits consumers and the economy by spurring innovation and lowering prices. As the last remaining spectrum below 1 GHz likely to be auctioned for the foreseeable future, and with the two dominant incumbents controlling over 76% of such spectrum *nationwide*, the Commission has the opportunity to promote lasting competition by adopting tailored spectrum aggregation rules in the 600 MHz auction. Moreover, contrary to the claims of opponents of pro-competitive auction rules, the Commission does not have to sacrifice auction revenue to promote competition. The European spectrum auctions examined by Professors Cave and Webb demonstrate that spectrum policymakers can fashion spectrum aggregation limits without adverse effects on auction revenue.

Pursuant to section 1.1206(b) of the Commission's rules,<sup>1</sup> this letter is being submitted for inclusion in the public record of the above-referenced proceeding. Please let me know if you have any questions.

Respectfully submitted,

/s/ Rafi Martina

Rafi Martina Counsel Legal and Government Affairs Sprint Corporation

-

<sup>47</sup> C.F.R. § 1.1206(b).